<u>REMARKS</u>

Claims 1-23 and 33-60 are pending. No new matter has been added.

Disclaimers Relating to Claim Interpretation and Prosecution History Estoppel

Any reference herein to "the invention" is intended to refer to the specific claim or claims being addressed herein. The claims of this Application are intended to stand on their own and are not to be read in light of the prosecution history of any related or unrelated patent or patent application. Furthermore, no arguments in any prosecution history relate to any claim in this Application, except for arguments specifically directed to the claim.

Claim Rejections - 35 USC § 103

The Examiner rejected claims 1-6, 11-22, 33-38, 41-52 and 55-60 under 35 USC § 103 (a) as obvious from Radziewicz et al. (USP 5,854,897) in view of Reilly et al. (USP 5,740,549). This rejection is respectfully traversed.

The Examiner rejected claims 7, 9, 10, 24-32, 39, 40, 53 and 54 under 35 USC § 103 (a) as obvious from Radziewicz et al. (USP 5,854,897) in view of Reilly et al. (USP 5,740,549) and further in view of Rainis et al. (USP 6,310,873). This rejection is respectfully traversed.

Radziewicz is directed to transmitting and displaying advertisements to a data terminal equipment (DTE) while the connection path of the DTE to a network is idle. In Radziewicz, the user of the DTE must first voluntarily subscribe to the optional advertisements. Only after the user has elected to receive advertisements will advertisements be both transmitted to the DTE and displayed on a DTE display window while the connection path is idle.

Reilly is directed to displaying a subscriber's local database of news stories and ancillary advertisements on the subscriber's screen saver after the subscriber's system has been "idle". In Reilly, "idle" refers to receiving no inputs via either keyboard or pointer device for a user

configurable or otherwise specified period of time (e.g., 5 minutes) (See Reilly, 11:40-49). In Reilly, news stories and advertisements are transmitted from an information server once during the middle of the night (e.g. a randomly selected time between 11p.m. and 7a.m. local time) and once every four hours for the rest of the day (See Reilly, 8:19-24). In Reilly, the information server determines the "recommended download time" for news and advertisements based on the traffic of the information server (See Reilly, 14:36-44).

Rainis is directed to a system for making telephone calls via the internet. In Rainis, the calling party may select an internet telephony service prior to initiation of a call based on price, terms and conditions. In Rainis, the calling party may pay a pre-determined charge in advance of a call via credit card, smart card, or electronic cash. During the call, both the calling party and the service provider may securely monitor the duration of the call with respect to the pre-payment and the time unit cost of the call. Should the call duration approach the paid duration limit, the calling party may authorize additional payment via the internet or either the calling party or the service provider may terminate the call.

To establish a prima facie case of obviousness, three basic criteria must be met. First, there must be some suggestion or motivation, either in the references themselves or in the knowledge generally available to one of ordinary skill in the art, to modify the reference or to combine reference teachings. Second, there must be a reasonable expectation of success. Finally, the prior art reference (or references when combined) must teach or suggest all the claim limitations. The teaching or suggestion to make the claimed combination and the reasonable expectation of success must both be found in the prior art and not based on applicant's disclosure. MPEP 706.02(j).

Telephone Interview of July 21, 2004

The Undersigned explained to the Examiner that two references are not combinable for an obviousness rejection if the intended utility of one of the references is destroyed. Although the Examiner conceded that he was unaware of that rule, the Examiner did not agree that Radziewicz's utility would be destroyed if Radziewicz would be combined with Reilly.

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The Undersigned submitted a response to the first non-final Office action on December 18, 2004. The Examiner did not address the arguments set forth by the Undersigned in the Office Action of June 17, 2004. Of those arguments, the Undersigned and the Examiner discussed the following three limitations with regard to claim 1:

downloading ad files from the network to the user computer during such times, such that the viewer program maintains a pool of ad files at the user computer for display;

hiding the viewer program window after a predetermined number of ad files from the ad file pool have been played and keeping the viewer program window hidden for a predetermined quiet interval;

managing the ad file pool so as to keep track of the number of times each ad file in the ad file pool has been viewed and determine when each ad file in the ad file pool should no longer be viewed.

"Downloading" step: The Examiner conceded that Radiewicz did not teach this feature.

"Hiding" step: The Examiner stated that he needed to think about it some more.

"Managing" step: The Examiner stated that he would use an "Official Notice" basis for rejection since that step is "so well known" in the art. . .

In summary, the Examiner stated that he will issue a supplemental office action after he finds another reference to combine and reject the claims. However, to date, none has been received.

Since the Examiner conceded, in the telephone interview of June 17, 2004, that the downloading step is not shown nor taught by the references in the record, the Examiner has not made a *prima facle* case of obviousness and the rejection should be withdrawn.

To the extent that independent claims 33 and 47 have a similar feature as claim 1, claims 33 and 47 are patentable for the same reasons as claim 1. Moreover, the balance of the claims, by virtue

of their dependence on claims 1, 33, or 47, are patentable for the same reasons. Therefore, it is respectfully requested that all claims be allowed to issue.

Conclusion

It is submitted, however, that the independent and dependant claims include other significant and substantial recitations which are not disclosed in the cited references. Thus, the claims are also patentable for additional reasons. However, for economy the additional grounds for patentability are not set forth here.

In view of all of the above, it is respectfully submitted that the present application is now in condition for allowance. Reconsideration and reexamination are respectfully requested and allowance at an early date is solicited.

The Examiner is invited to call the undersigned attorney to answer any questions or to discuss steps necessary for placing the application in condition for allowance.

Respectfully submitted,

Date: September 13, 2004

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